

Petroglyph Operating Co., Inc.
P.O. Box 1839
Hutchinson, KS 67504-1839

March 1, 2004

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Re: APPLICATION FOR PERMIT TO DRILL
SO UTE TRIBAL #33-09-15
NE/SE, SEC. 33, T4S, R3W
DUCHESNE COUNTY, UTAH
LEASE NO.: BIA 14-20-H62-4736
SURFACE OWNER: FEE

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

We are re-submitting these documents that now reflect the formation and correct depth

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
Petroglyph Operating Co., Inc.

Attachments

RECEIVED
MAR 03 2004
DIV. OF OIL, GAS & MINING

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒**DEEPEN** ☐

b. TYPE OF WELL

Oil

Gas

Well ☐Well ☐

Other

Single

Zone ☐

Multiple

Zone ☐

2. Name of Operator

PETROGLYPH OPERATING CO., INC.

3. Address and Telephone Number

P.O. BOX 607, ROOSEVELT, UT 84066

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface

1282' FSL, 495' FEL**NE/SE****4437631Y 40.68222****546558X -110.21928**

At proposed prod. Zone

5. Lease Designation and serial number

BIA-14-20-H62-4736

6. If Indian, allottee or tribe name

FEE

7. Unit Agreement name

14-20-H62-4650

8. Farm or lease name, well no.

SO UTE TRIBAL 33-09-15

9. API well no.

43-013-32542

10. Field and pool, or wildcat

ANTELOPE CREEK

11. Sec., T., R., M., or Blk. And survey area

SEC. 33, T4S, R3W

14. Distance in miles and direction from nearest town or post office

15.55 MILES SOUTHWEST OF MYTON, UTAH

Distance from proposed

location to nearest

property or lease line, ft.

495'

(Also to nearest drig. Unit line, if any)

16. No. of acres in lease

617.20

17. No. of acres assigned to this well

2.5

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.

19. Proposed depth

2000'

20. Rotary or cable tools

ROTARY

21. Elevations (show whether DF, RT, GR, etc.)

5852.9 FEET UNGRADED GROUND

22. Approx. date work will start

UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	J-55 7"	20#	1100'	230 SX NEAT CEMENT WITH 30% SILICA FLOUR
6 1/4"	J-55 4 1/2"	11.6#	2000'	270 SX NEAT CEMENT WITH 30% SILICA FLOUR

SEE ATTACHMENTS FOR:**8 POINT PLAN****SURFACE USE AND OPERATING PLAN****LOCATION PLAT****LOCATION LAYOUT****TOPOGRAPHIC MAPS "A", "B", C AND "D"****RECEIVED****MAR 03 2004**

DIV. OF OIL, GAS & MINING

**PETROGLYPH OPERATING CO., INC. WILL BE THE
DESIGNATED OPERATOR OF THE SUBJECT WELL
UNDER BOND #BO 4556.**

Pc: **UTAH DIVISION OF OIL, GAS, AND MINING****BUREAU OF INDIAN AFFAIRS, FORT DUCHESNE, UTAH**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED *Ed Jackson* TITLE Agent DATE 3-1-2004

(This space for Federal or State office use)

PERMIT NO.

Application approval does not warrant or certify that the applicant has or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

**BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III**

DATE

03-15-04

**Approval of this
Federal Action is Necessary**

T4S, R3W, U.S.B.&M.

S89°55'W - 80.50 (G.L.O.)

PETROGLYPH OPERATING CO., INC.

Well Location, SO UTE TRIBAL #33-09-15,
located as shown in NE 1/4 SE 1/4 of Section
33, T4S, R3W, U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 33, T4S, R3W, U.S.B.&M. TAKEN FROM THE MYTON SW, QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5938 FEET.

LINE TABLE		
LINE	BEARING	LENGTH
L1	N89°55'15"E	379.48'
L2	S89°42'09"W	424.66'

-33-

SO UTE TRIBAL #33-09-15
Elev. Ungraded Ground = 5853'

Lot 4

Lot 3

Lot 2


Lot 1

C.C. Set Stone,
Pile of Stones, 1.2"
Rebar, Plastic Cap

T4S

T5.S

-S89°54'41"W 5305.35' (Meas.)

A.P. 
Pile of Stones

*Corner Re-Established
Mathematically*

- S89°42'24"W 5317.23' (Meas.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

A.P.
Pile of Stones

A.P. _____
Pile of Stones
LEGEND:

L = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

△ = SECTION CORNERS RE-ESTABLISHED.
MATHEMATICALLY. (Not Set on Ground)

○ = ANGLE POINT

NOTE: *Pile of Stones*
BASIS OF BEARINGS IS THE EAST LINE
OF THE NE 1/4 OF SECTION 5, T5S, R3W,
U.S.B. & M. WHICH IS ASSUMED FROM G.L.O.
INFORMATION TO BEAR N00°02'E

(AUTONOMOUS NAD 83)
LATITUDE = 40°05'17.62" (40.088228)
LONGITUDE = 110°13'12.50" (110.220139)

UTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE
1" = 1000'

DATE SURVEYED:	12-12-02
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DATE DRAWN:
12-17-02

PARTY	G.O.	B.C.	D.R.B.
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REFERENCES	G.L.O. PLAT
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WEATHER
COLD

FILE
PETROGLYPH OPERATING CO., INC.

MAR 05 2004

SURFACE USE AND RIGHT-OF-WAY AGREEMENT

Agreement entered into this June 25, 1997 by and between ELMER R. MOON AND ARWELLA P. MOON, husband and wife, whose address is East Old Highway 40, Duchesne, Utah 84021 (hereinafter "GRANTOR") and PETROGLYPH OPERATING COMPANY, INC., whose address is 6209 North Highway 61, P.O. Box 1839, Hutchinson, Kansas 67502, (hereinafter "PETROGLYPH");

RECITALS

A. GRANTOR is the owner of all or a portion of the surface estate of lands located in Duchesne County, Utah, and more particularly described as:

Township 4 South - Range 4 West USM

Section 16: S/2 SW/4 less 5 acres SW/4 SW/4 SW/4

Section 18: W/2 SW/4

Section 21: W/2 NW/4, NE/4 NW/4

Township 4 South - Range 3 West USM

Section 28: S/2 SW/4, SW/4 SE/4

Section 29: S/2 SE/4

Section 31: E/2 SE/4

Section 33: W/2, W/2 NE/4, W/2 SE/4, NE/4 SE/4

Township 5 South - Range 3 West USM

Section 6: E/2 NE/4

Containing 1,152.64 acres, more or less.

Said lands are hereinafter referred to as the "Subject Lands";

B. GRANTOR or GRANTOR's predecessors acquired all or part of the surface estate of the Subject Lands from the Ute Indian Tribe pursuant to 1) the Act of June 18, 1934, (48 Stat. 984), 2) the Act of March 11, 1948 (62 Stat. 72), or 3) from the United States under certain of the private entry and homestead Acts;

C. PETROGLYPH is in the business of exploring for, developing, and producing oil and gas deposits;

D. PETROGLYPH is the lessee of and/or owns the operating rights in numerous Indian and other oil and gas leases covering a portion of the Subject Lands and/or other lands in Duchesne County;

E. A map depicting the Subject Lands and surrounding lands is attached hereto as Exhibit "A," which by this reference is incorporated herein;

F. PETROGLYPH anticipates increased operations for the development and enhanced recovery of oil and gas reserves within and in proximity to the Subject Lands. These operations require access to and rights-of-way

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DEPT. OF OIL, GAS & MINING

on and over and use of the Subject Lands and the construction, maintenance and operation of well sites, power lines, natural gas delivery systems, pipelines, compressor stations and appurtenances; and

G. PETROGLYPH has permitted or is in the process of permitting the drilling, production and enhanced recovery of oil and gas wells located on the Subject Lands, and/or on other lands in Duchesne County.

NOW THEREFORE, FOR AND IN CONSIDERATION OF TEN DOLLARS (\$10.00) PAID AND THE PAYMENTS AND THE TERMS AND CONDITIONS AND COVENANTS PROVIDED HEREIN, GRANTOR grants and conveys to PETROGLYPH, its successors and assigns, easements and the right to use and occupy those portions of the Subject Lands as may be necessary (a) for oil and gas exploration, including, but not limited to, the placement of seismic lines and other exploration activities, (b) to conduct its drilling and production operations on said property, including the right to construct and maintain, rework, replace, and operate oil and gas well sites, and enhanced oil and gas recovery operations (c) to construct, entrench, maintain, operate, replace, remove, and protect pipelines for water, oil or gas with appurtenances thereto, including, but not limited to, valves, compressors, metering equipment, and cathodic equipment, (d) to construct, maintain or cover up any pits or ponds necessary for drilling operations or water storage, (e) to erect, maintain, relocate, replace or remove production Facilities, including, but not limited to, pumps, compressors, separators and treaters, and (f) to construct, maintain, relocate, or abandon roads, and in connection therewith, power and communication lines (said well sites, pipelines, appurtenances, valves, metering equipment, cathodic equipment, road and power lines being sometimes collectively called the "Facilities") in, on, over, under and through the Subject Lands to the extent of GRANTOR's ownership therein.

PETROGLYPH shall have the free right of ingress and egress in, on, over, upon, through and across said rights-of-way and easements for any and all purposes that may be necessary or incidental to the maintenance of the right-of-ways and easements with the right to use existing roads which enter GRANTOR's property for the purpose of constructing, inspecting, repairing and maintaining the Facilities and the removal or replacement of same at will, either in whole or in part, and the replacement of said pipelines with either like or different size pipe. During temporary periods, PETROGLYPH may use such portions of the property along and adjacent to said rights-of-way as may be necessary in connection with construction, maintenance, repair, removal or replacement of the Facilities and if such use causes any damages to GRANTOR's lands outside of the above described rights-of-way, PETROGLYPH shall pay GRANTOR for such damages in accordance with the provisions of the Agreement.

Where economically feasible and reasonable, PETROGLYPH will utilize a "development corridor" right-of-way approach in its development operations. PETROGLYPH is to limit disturbance to that land reasonably necessary for well drilling, development, and subsequent on-site operations and to a width no greater than 60 feet for roads and pipeline corridors.

PETROGLYPH to have and hold the above described rights and easements, together with all rights necessary to operate and maintain the Facilities from the date of written notice to GRANTOR in the form as set forth in Exhibit "B" for the term, under the conditions and for the consideration as set forth herein until such time as such rights-of-way and easements are abandoned or terminated under the terms provided herein. When PETROGLYPH intends to use and occupy any portion of the Subject Lands owned by the GRANTOR, PETROGLYPH shall give the GRANTOR written notice of surface use and easement using the form attached hereto as Exhibit "B", together with payment for the additional rights in accordance with the compensation provisions as provided below. Upon receipt of such notice, GRANTOR shall have seven (7) days within which to review the proposed surface use and notify PETROGLYPH of any objections regarding location or other concerns and offer specific reasonable alternatives or modifications to the location or other concern. PETROGLYPH will consider such alternatives and, if deemed to be reasonable and practical under the particular circumstances, will accommodate GRANTOR by modifying its place of surface use in whole or in part accordingly. PETROGLYPH agrees in the conduct of its operations upon the Subject Property to the following:

- (a) To construct the rights-of-way, drill pads and other Facilities in a prompt and workmanlike manner;
- (b) To stockpile and replace top soil and take other reasonable soil and resource conservation and protection measures on the lands covered by the rights-of-way and surface use locations and Facilities;
- (c) To take reasonable precautions to prevent fires on the lands covered by the rights-of-way and surface use locations and Facilities;
- (d) To rebuild and/or repair any road, gates, fences, or other appurtenances or improvements as may be destroyed or damaged by PETROGLYPH's activities and to build and maintain necessary and suitable crossing and drainage structures, install cattle guards with offset gates for all roads and ways that intersect the works constructed, maintained, or operated under the rights-of-way, surface use locations, and Facilities. Fence gates installed shall be of steel construction (Powder River type). Any fences installed by the GRANTOR, which cross roads granted hereunder, shall have installed, at GRANTOR's discretion, cattle guards with offset gates. Cattle guards and fence gates shall be of steel construction (Powder River type). PETROGLYPH shall have the option of supplying the gates and cattle guards, or reimbursing GRANTOR for the actual costs thereof. PETROGLYPH will grade, level and reseed areas disturbed but not used for roads or Facilities and Well Sites.
- (e) To take reasonable steps to minimize dust from vehicular use on the roads constructed hereunder;
- (f) To post "no trespassing" or other appropriate signs notifying the public that the road right-of-way and subject Property are privately owned. Such sign shall be conspicuously posted on any new roads constructed by PETROGLYPH hereunder;
- (g) To control the growth and spread of noxious weeds on and from the rights-of-way, drill pads, and other areas of the Subject Lands disturbed by PETROGLYPH. For the purposes of this Agreement, noxious weeds shall be those plants listed currently and from time-to-time on the Utah Weed Control List prepared by the Utah Department of Agriculture.

PETROGLYPH may assign the rights and easements herein granted, either in whole or in part, subject to the terms of this grant and Agreement, and such rights and easements shall be covenants running with the land and be binding upon GRANTOR, GRANTOR's heirs, assigns, legal representatives and successors in title. Upon abandonment of any of the rights-of-way or easements granted hereunder, at the request of the GRANTOR, PETROGLYPH shall execute and deliver to GRANTOR a document in recordable form evidencing said abandonment.

As full payment and compensation for the rights and easements conveyed and granted and to be conveyed and granted hereunder, including any amounts for damage to growing crops, timber and other vegetation, PETROGLYPH shall remit to the GRANTOR, in conjunction with delivery of notices of surface use and easement, payments equal to Five Hundred Dollars (\$500.00) per acre, or two (2) times the market value per acre, which ever is greater (not to exceed One Thousand Dollars (\$ 1000.00) per acre), of the lands disturbed or made subject to the uses and easement stated in the notice. Said market value shall be based upon the market value established and maintained by the Duchesne County Assessor for the property subject to the use and/or easement. GRANTOR accepts such payments in full and complete payment, settlement, compromise and satisfaction of any and all losses, liabilities, claims, damages, demands and causes of action relating to any and all injuries and damages to the surface of the land with the exception of PETROGLYPH's duty to reclaim upon abandonment of any of the easements or uses granted herein or upon termination of this Agreement.

GRANTOR reserves the right to the use and enjoyment of the Subject Land except for the purposes herein granted, but such use shall not hinder, conflict, or interfere with PETROGLYPH's surface or sub-surface rights or disturb its Facilities and operations. No road, reservoir, excavation, obstruction or structure shall be constructed, created or maintained on, over, along or within the lands occupied by any Facilities by GRANTOR or with GRANTOR's consent or acquiescence without PETROGLYPH's prior written consent, which consent shall not be unreasonably withheld.

GRANTOR hereby covenants and warrants that it is the surface owner of all of or an undivided interest in the Subject Lands, and has the legal right and authority to enter into this Agreement and grant the rights granted herein.

If, at any time during the term of this Agreement, PETROGLYPH determines that GRANTOR owns all or any portion of the mineral estate underlying the Subject Lands and that all or any portion of that mineral estate are not leased for oil, gas, and other hydrocarbons, GRANTOR agrees to lease same to PETROGLYPH on the following terms and conditions:

- (a) A three (3) year primary term and so long thereafter as there is production in paying quantities;
- (b) annual rentals of \$2.00 per net mineral acre paid up at signing; and
- (c) royalty of 16-2/3%
- (d) PETROGLYPH will provide GRANTOR, at the time of the signing of the oil and gas lease, a copy of a minerals status report identifying the minerals interest owned by GRANTOR.

The rights-of-way, easements, and surface uses granted herein are and will be issued for the full period of development and the production life of the wells, appurtenances and Facilities associated therewith, including reworking and enhanced recovery operations and resultant production. Any right-of-way that is not used for a continuous period of three years shall be deemed abandoned and terminated and shall be reclaimed as herein agreed. In the event PETROGLYPH does not exercise the rights granted herein as to any government surveyed Section (constituting 640 acres, more or less) of the subject Lands (or such smaller portion within any section if GRANTOR does not own all of the surface of such Section) for a period of ten (10) years from the date of this Agreement, this Agreement shall terminate as to that government Section or part thereof.

PETROGLYPH, its successors and assigns, shall at all times exercise reasonable care in its exploration, drilling, completion and production operations to avoid the spilling, improper disposal or release of pollutants, hazardous substances and hazardous waste in, on or under the GRANTOR's property and to comply with all relevant and applicable federal, state and local statutes and regulations, including, but not limited to, all environmental laws now in force and hereinafter enacted.

Upon the termination of this Agreement, the end of the production life of any well or abandonment of any Facilities installed, PETROGLYPH shall have the right of access to the captioned lands in order to restore such well-site, right-of-way or other surface disturbance to the approximate condition it was in prior to commencement of such surface use, so far as is reasonably possible. All reclamation shall be at the sole expense of PETROGLYPH. Said reclamation work and abandonment and plugging of wells shall be done in accordance with federal, state, county, or local laws and regulations in force at such time.

In the event of PETROGLYPH's failure to comply with any material provisions of this Agreement, GRANTOR shall provide PETROGLYPH with notice setting forth the nature of such non-compliance. If the non-compliance relates to the payment of money as set forth herein, PETROGLYPH shall have thirty (30) days

following receipt of such notice to cure such non-compliance. If the non-compliance relates to matters other than the payment of money, PETROGLYPH shall have sixty (60) days to commence, and to pursue diligently to completion, appropriate action to cure the non-compliance. In the event that PETROGLYPH fails to cure, or to commence appropriate action to cure the non-compliance within the prescribed period, GRANTOR may thereupon terminate this Agreement by giving PETROGLYPH 15 days written notice to that effect. Such termination shall not affect prior rights and easements granted PETROGLYPH, its predecessors, successors or assigns under this Agreement or under prior grants, conveyances, or Agreements. In the event of a dispute over compliance or performance under this Agreement, such dispute shall not be grounds for interruption of the performance under this Agreement by either party, nor will PETROGLYPH's operations hereunder be interrupted, delayed, or impaired during the pendency of such dispute. The parties agree to attempt to settle expeditiously all dispute(s) and objection(s) under this Agreement by mediation under the Commercial Mediation Rules of the American Arbitration Association, before resulting to arbitration. If the parties are unable by mediation to resolve or settle the dispute(s) or objection(s), the parties agree to submit such dispute(s) or objection(s) to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect at the time of arbitration.

If PETROGLYPH is delayed or interrupted in or prevented from performing any acts or obligations provided in this Agreement by acts of God, fires, weather, floods, strikes or labor troubles, breakage of machinery, inability to obtain necessary materials, supplies or labor, interruptions in delivery or transportation, insurrection or mob violence, injunction, regulations or order or requirement of Government or other disabling cause beyond its reasonable control, then and in all such cases PETROGLYPH shall, for the time being and without liability, be excused from performance of such acts or obligations during the period of such prevention, delay or disability. This Agreement and all provisions hereof shall again come into full force and effect immediately upon termination of the period of prevention, delay or disability resulting from any of the causes aforesaid. PETROGLYPH shall give GRANTOR prompt written notice of any periods of such delay or prevention together with the reason or reasons for same. Following termination of such prevention or delay, PETROGLYPH shall give prompt written notice of same to GRANTOR.

All notices under this Agreement shall be given in writing and shall be sent (a) certified mail, return receipt requested, or (b) by Federal Express, or similar overnight carrier service, to the parties at the addresses provided on page 1 of this Agreement. Notices shall be deemed effective when received. Any party may change its address for receipt of notices by sending notice of the change to the other party as provided for in this paragraph.

This Agreement and the grants and conveyances hereunder shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns. All representations, warrantys, terms, conditions and covenants contained in this Agreement shall survive execution of this Agreement and remain in full force and effect and binding on the parties. This Agreement and all rights and interests granted hereunder or pursuant hereto shall be governed by and construed in accordance with the laws of the State of Utah.

Upon execution of this Agreement, the parties agree to execute and record in the office of the Duchesne County Recorder, a Memorandum of Surface Use and Right-Of-Way Agreement sufficient to provide third parties with notice of the Agreement.

Time is of the essence in the performance of this Agreement and each and every term, covenant and obligation herein.

MAR 05 2004

This Agreement and its Exhibits constitute the final written expression of the Agreement between PETROGLYPH and GRANTOR, which Agreement may not be modified except by writing signed by both PETROGLYPH and GRANTOR.

GRANTOR ELMER R. MOON AND ARWELLA P. MOON

By: Elmer R. Moon

By: Arwella P. Moon

GRANTEE PETROGLYPH OPERATING COMPANY, INC.

By: Ed Trotter
Its Agent

ACKNOWLEDGMENT

STATE OF UTAH)
) ss.
COUNTY OF DUCHESNE)

The foregoing instrument was acknowledged before me this 25th day of June, 1997, by ELMER R. MOON AND ARWELLA P. MOON, husband and wife.

Charlotte Jensen
Notary Public
Residing in: Duchesne, UT

My Commission Expires:
5-2-98

ACKNOWLEDGMENT

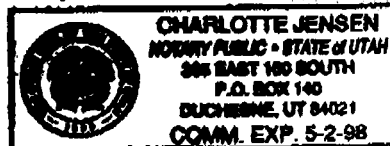
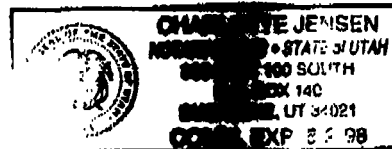
UTAH
STATE OF ~~KANSAS~~)
) ss.
COUNTY OF DUCHESNE)

The foregoing instrument was acknowledged before me this 25th day of June, 1997, by Ed Trotter, the Agent of PETROGLYPH OPERATING COMPANY, INC.

Charlotte Jensen
Notary Public
Residing in: Duchesne, UT

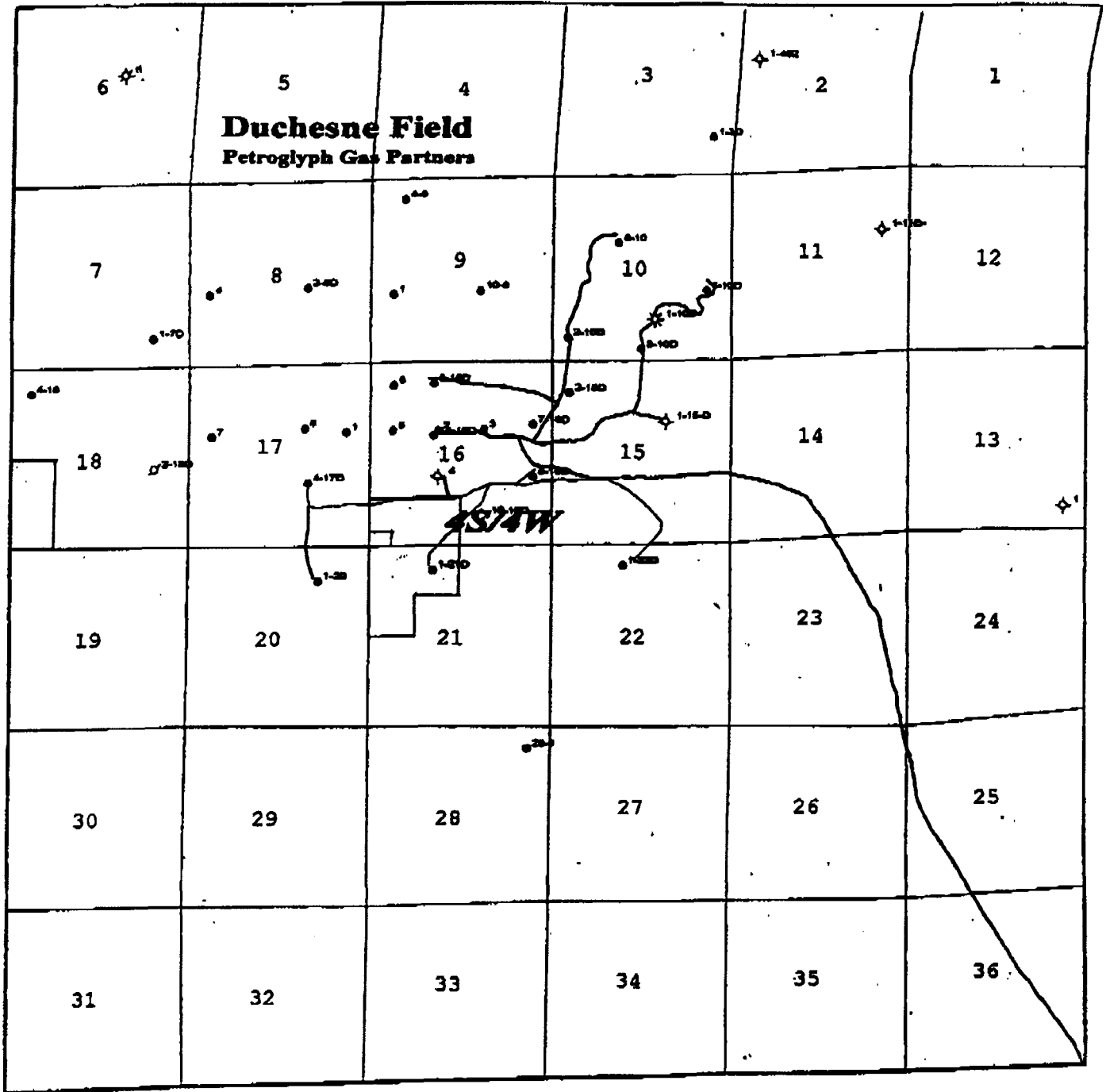
My Commission Expires:
5-2-98

Page 6



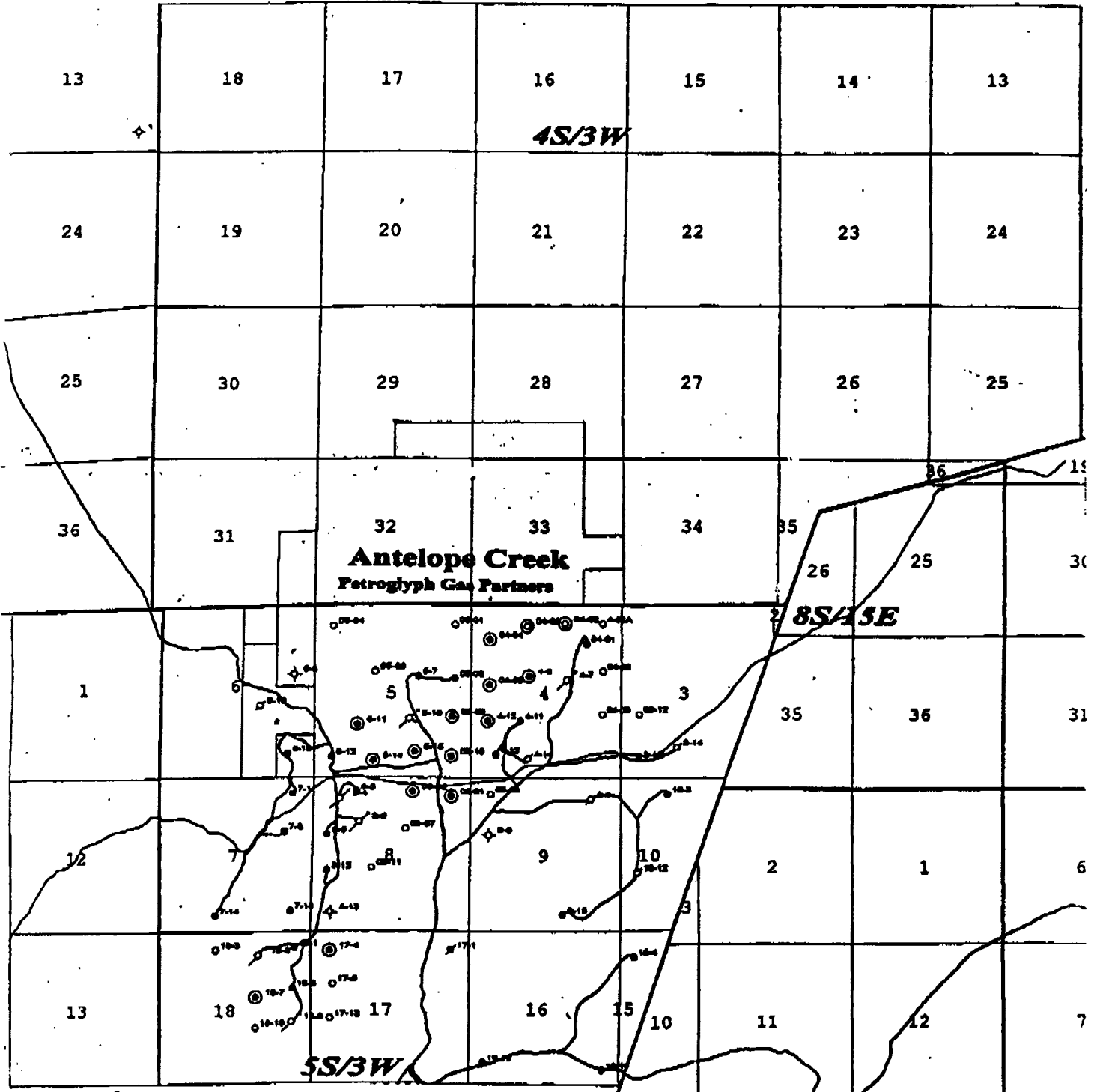
MAR 05 2004

EXHIBIT A
(continued)
MAP OF DUCHESNE FIELD LANDS



MAR 15 2004

EXHIBIT A
(continued)
MAP OF ANTELOPE CREEK AREA LANDS



MAR 5 2004

**MEMORANDUM OF SURFACE USE AND
RIGHT-OF-WAY AGREEMENT**

THIS MEMORANDUM WITNESSES:

THAT on the 16th day of June, 1997, between ELMER R MOON AND ARWELLA P MOON, husband and wife, whose address is East Old Highway 40, Duchesne, Utah 84021 (GRANTOR), in consideration of the covenants and agreements contained in that certain Surface Use and Right-Of-Way Agreement dated JUNE 25th 1997 (the "Agreement"), has granted and conveyed, and by these presents does hereby grant and convey to PETROGLYPH OPERATING COMPANY, INC., whose address is 6209 North Highway 61, P.O. Box 1839, Hutchinson, Kansas 67502 (GRANTEE), certain rights of surface use, rights-of-way, and easements for the exploration, development, production, and transportation of oil and gas in, on, over, through and across certain real property owned by GRANTOR and situated in the County of Duchesne, State of Utah, and more particularly described as follows:

Township 4 South - Range 4 West USM

Section 16: S/2 SW/4 less 5 acres SW/4 SW/4 SW/4

Section 18: W/2 SW/4

Section 21: W/2 NW/4, NE/4 NW/4

Township 4 South - Range 3 West USM

Section 28: S/2 SW/4, SW/4 SE/4

Section 29: S/2 SE/4

Section 31: E/2 SE/4

Section 33: W/2, W/2 NE/4, W/2 SE/4, NE/4 SE/4

Township 5 South - Range 3 West USM

Section 6: E/2 NE/4

Containing 1,152.64 acres, more or less.

Said rights and uses are granted upon and subject to all of the terms and conditions set forth in the Agreement, executed by GRANTOR and GRANTEE, which Agreement is held by and can be inspected by parties having a vested interest in the Agreement and/or subject property during reasonable business hours at the offices of GRANTOR or GRANTEE. Such uses, rights-of-way and easements are granted for the full period of development of and the production life of any of the wells, appurtenances and facilities associated therewith.

IN WITNESS WHEREOF, this Memorandum has been duly executed this 25th day of JUNE, 1997.

GRANTOR ELMER R MOON AND ARWELLA P MOON

By: Elmer R. Moon

By: Arwella P. Moon

MAR 5 2004

GRANTEE PETROGLYPH OPERATING COMPANY, INC.

By: [Signature]
Its: Agent

ACKNOWLEDGMENTS

STATE OF UTAH)
: ss.
COUNTY OF DUCHESNE)

The foregoing instrument was acknowledged before me this 25th day of June, 1997 by ELMER R MOON AND ARWELLA P MOON, husband and wife.

Charlotte Jensen
Notary Public
Residing in: Duchesne, UT

Commission Expires:

5-2-98

ACKNOWLEDGMENT

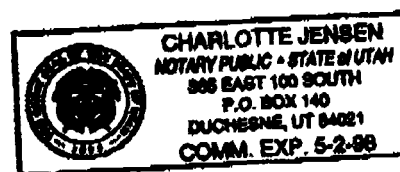
UTAH
STATE OF ~~KANSAS~~)
: ss.
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Charlotte Jensen
Notary Public
Residing in: Duchesne, UT

My Commission Expires:

5-2-98



MAR 25 2004

MAR 05 2004

TELEPHONE NO. 435-789-4120

TO: UDOG & M

FAX NO. 801-359-3940

ATTENTION: Diana Whitney

DATE: 3-5-2004

TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 10

All information contained in this facsimile is confidential and is solely directed to the above named recipient. If you receive this fax in error, or there is a problem with the transmission, please call: 1-435-789-4120. Thank you.

Diana,
Here is the surface agreement for the SO Ute Tribal 33-09-15 well.
If you have further questions please give me a call at 435-789-4120.

Thank you.
Ed Trotter

MAR 05 2004

ED TROTTER

**EIGHT POINT PLAN
SO UTE TRIBAL 33-09-15
NE/SE, SEC. 33, T4S, R3W, U.S.B.&M.
DUCHESNE COUNTY, UTAH**

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

FORMATIONS	DEPTH	SUBSEA
Green River		
Total Depth	2000	
Anticipated BHP		

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Oil/Gas		3000	

3. PRESSURE CONTROL EQUIPMENT: 2000 psi stack on 6 1/4" hole.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>MINIMUM SAFETY FACTOR</u>		
						<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
8 3/4"	0 - 1100'	1100'	7"	20.0 #	J-55	2270 PSI	3740 PSI	316,000#
6 1/4"	1100 - TD	2000'	4 1/2"	11.6#	J-55	4960 PSI	5350 PSI	184,000#

All casing will be new or inspected.

5. MUD PROGRAM

<u>INTERVAL</u>	<u>MUD TYPE</u>
0' - 3000'	Air & Air/Mist

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. Petroglyph Operating Company, Inc. requests a variance to regulations requiring a straight run blooie line.
- B. Petroglyph Operating Company, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

**EIGHT POINT PLAN
SO UTE TRIBAL 33-09-15
NE/SE, SEC. 33, T4S, R3W, U.S.B.&M.
DUCHESNE COUNTY, UTAH**

7. EVALUATION PROGRAM:

Logs: Triple Combo
Cores: None Programmed
DST: None Programmed
Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

None Required

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Petroglyph Operating Co. Inc.
Well Name & Number: So Ute Tribal #33-09-15
Lease Number: 14-20-H62-4736
Location: 1282' FSL & 495' FEL, NE/SE, Sec. 33,
T4S, R3W, U.S.B.&M., Duchesne County, Utah
Surface Ownership: Private

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 15.55 miles southwest of Myton, Utah - See attached TOPO Map "A" .
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.1 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Co., Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Temporarily abandoned wells – 4*
 - B. Producing wells - 5*
 - C. Shut in wells – 1*
- (*See attached TOPO map “C” for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Tank batteries - None
- 2. Production facilities - None
- 3. Oil gathering lines - None
- 4. Gas gathering lines - None
- 5. Injection lines - None
- 6. Disposal lines - None
- 7. Surface pits - None

B. **OFF WELL PAD**

Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Target Trucking's Roosevelt Brine Storage and/or Target's water source in SE ¼, Sec. 1, T4S, R5W, Duchesne County, Utah (State Water Right #43-10152). All water will come from a non-depletable source.
- B. Water will be hauled by Target Trucking.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from private Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Roosevelt sewage disposal plant.
3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On Privately owned surface:

The reserve pit will be constructed so as not to leak, break, or allow discharge.

ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

Tanks will be used in place of a reserve pit.

Access to the well pad will be from the North.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- C. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment.

11. **SURFACE OWNERSHIP**

Access road: Private

Location: Private

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING

Ed Trotter

P.O. Box 1910

Vernal, UT 84078

Telephone: (435)789-4120

Fax: (435)789-1420

OPERATIONS

Steve Wall

P.O. Box 607

Roosevelt, UT 84066

(435)722-2531

(435)722-9145

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Petroglyph Operating Co., Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Co., Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

3-1-2004

Date

Ed Trotter

PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-15

LOCATED IN DUCHESNE COUNTY, UTAH

SECTION 33, T4S, R3W, U.S.B&M.

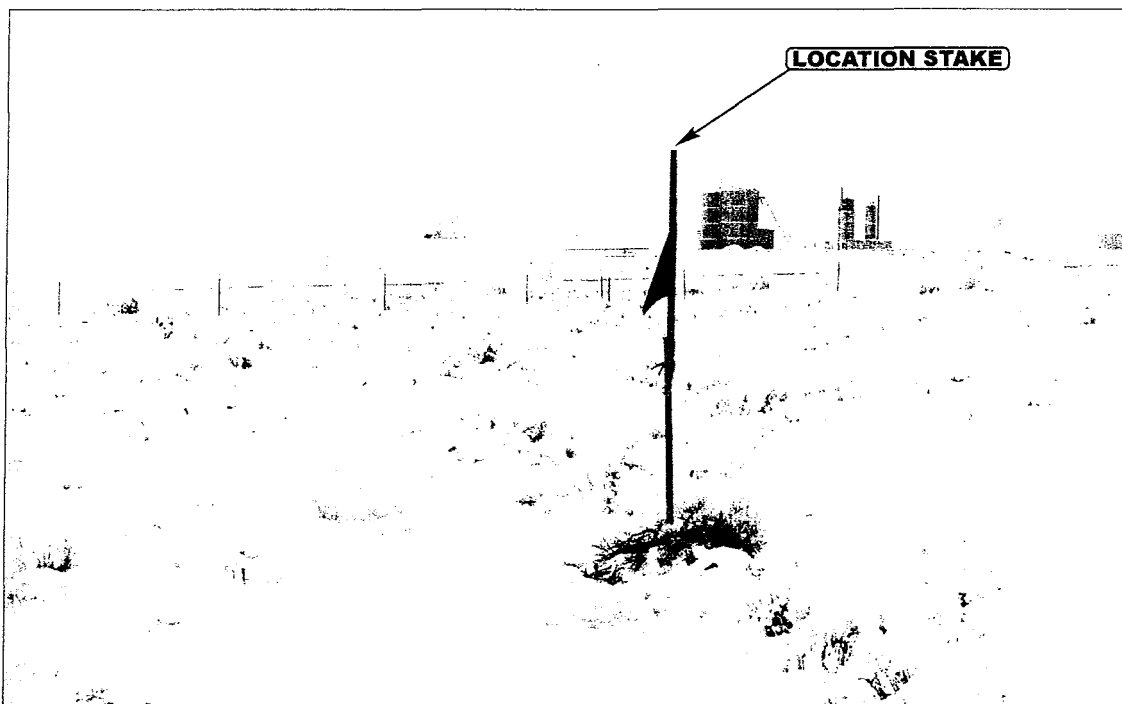


PHOTO: VIEW OF WELL LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

E&L

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 16 02
MONTH DAY YEAR

PHOTO

TAKEN BY: G.O.

DRAWN BY: J.L.G.

REVISED: 00-00-00

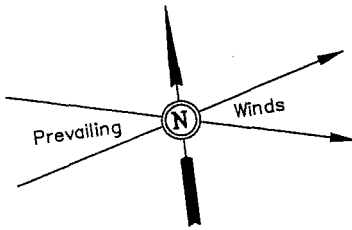
PETROGLYPH OPERATING CO., INC.

LOCATION LAYOUT FOR

SO UTE TRIBAL #33-09-15
SECTION 33, T4S, R3W, U.S.B.&M.

1282' FSL 495' FEL

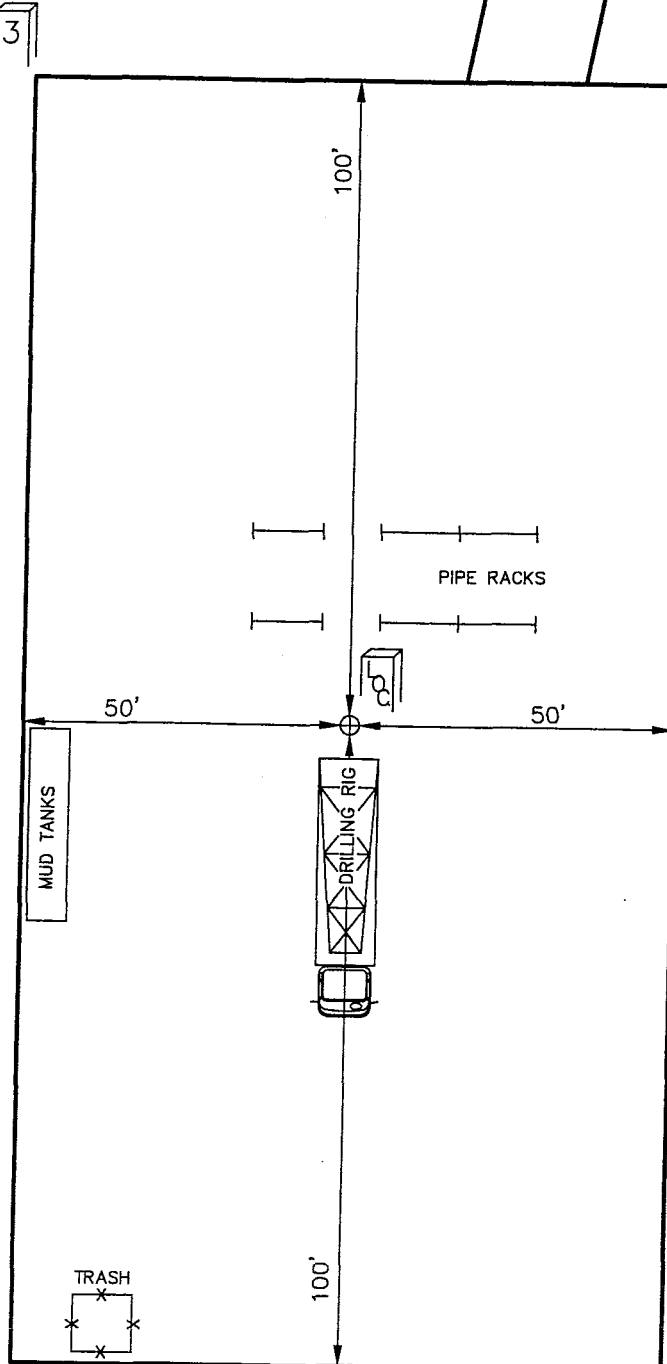
FIGURE #1



SCALE: 1" = 30'
DATE: 12-16-02
Drawn By: D.R.B.

Proposed Access Road

Sta. 2+00

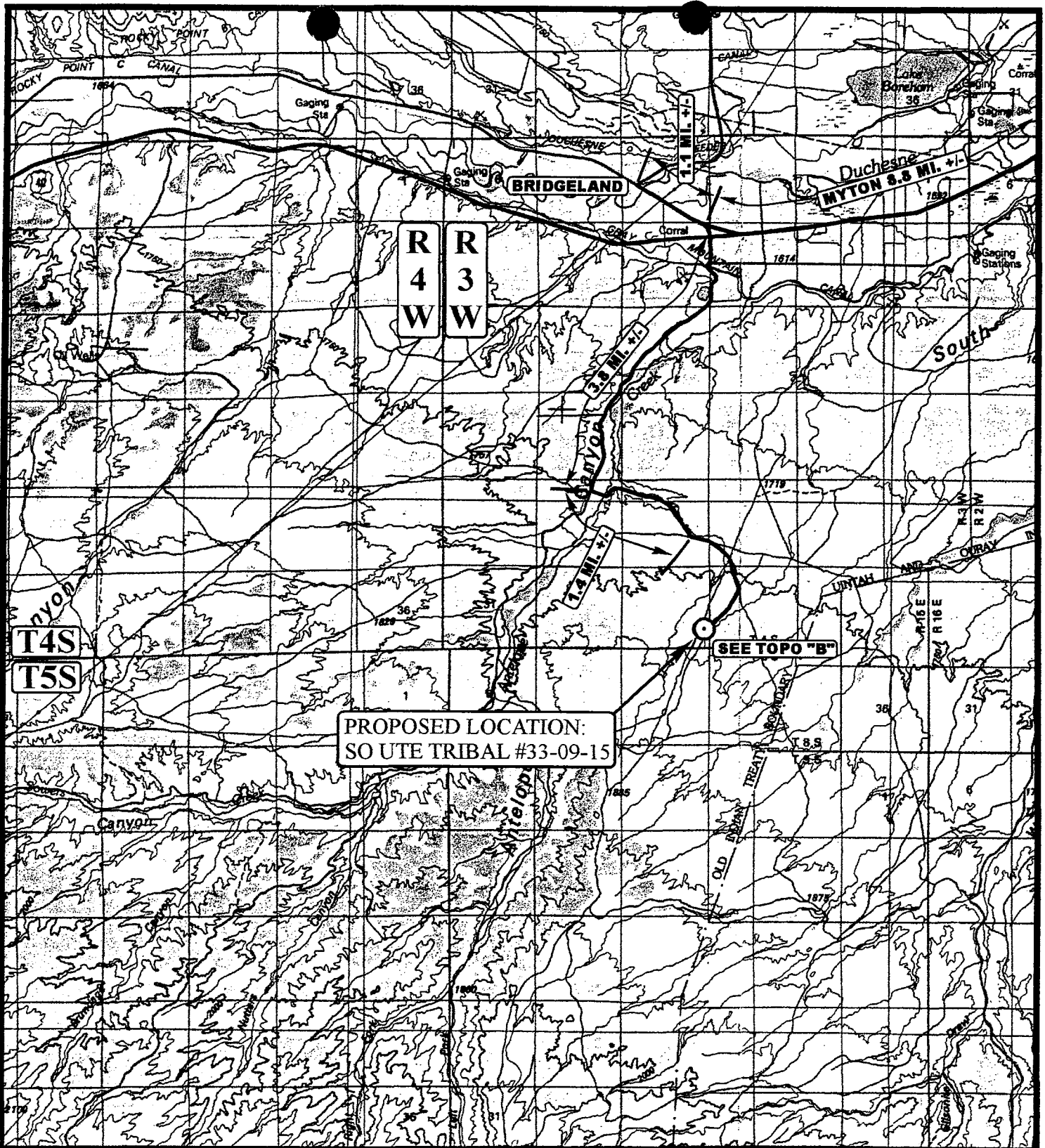


Sta. 1+00

Sta. 0+00

Elev. Ungraded Ground at Location Stake = 5852.9'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-15
SECTION 33, T4S, R3W, U.S.B.&M.
1282' FSL 495' FEL



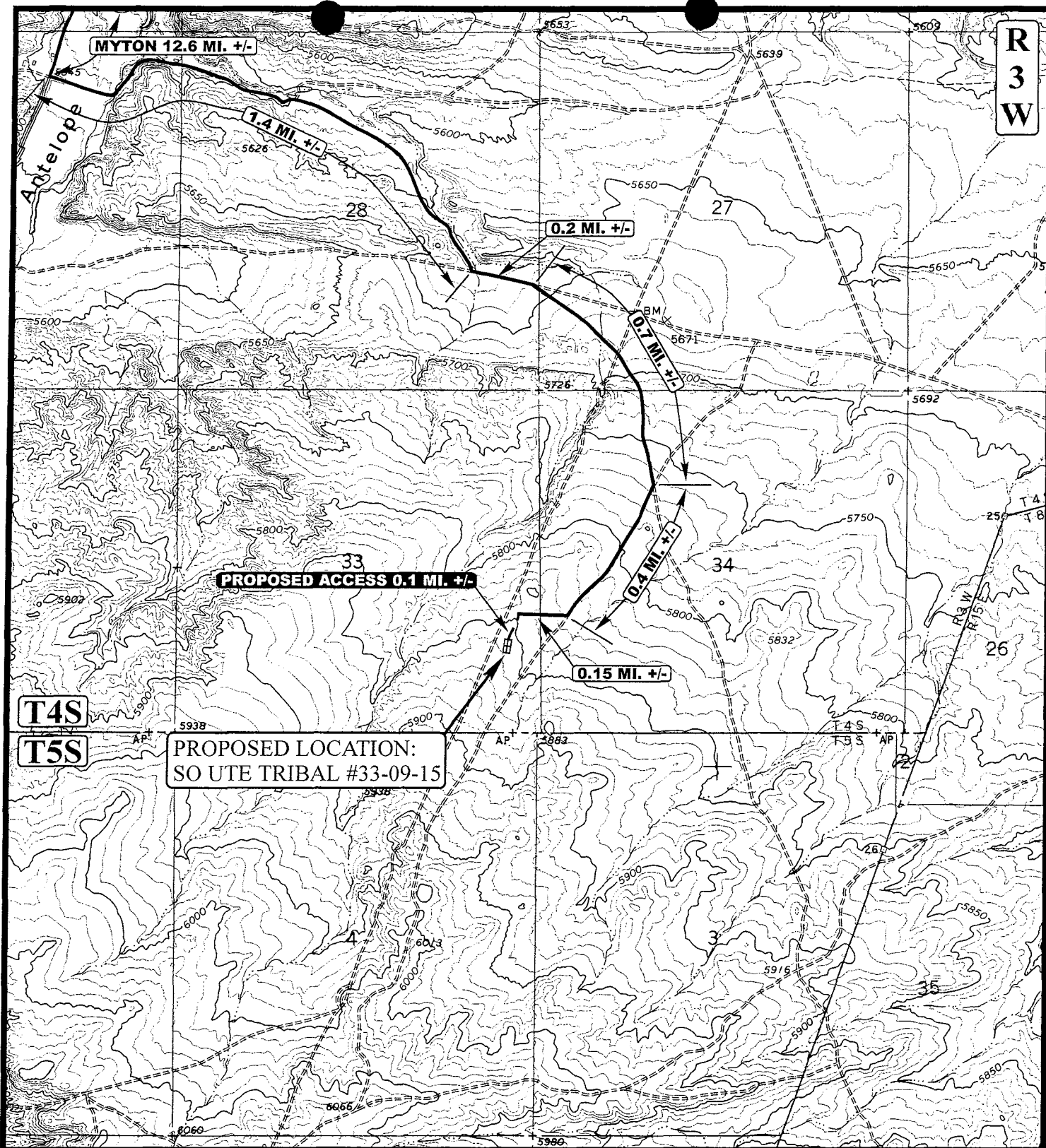
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 16 02
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00





LEGEND:

----- PROPOSED ACCESS ROAD
 ----- EXISTING ROAD



PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-15
 SECTION 33, T4S, R3W, U.S.B.&M.
 1282' FSL 495' FEL



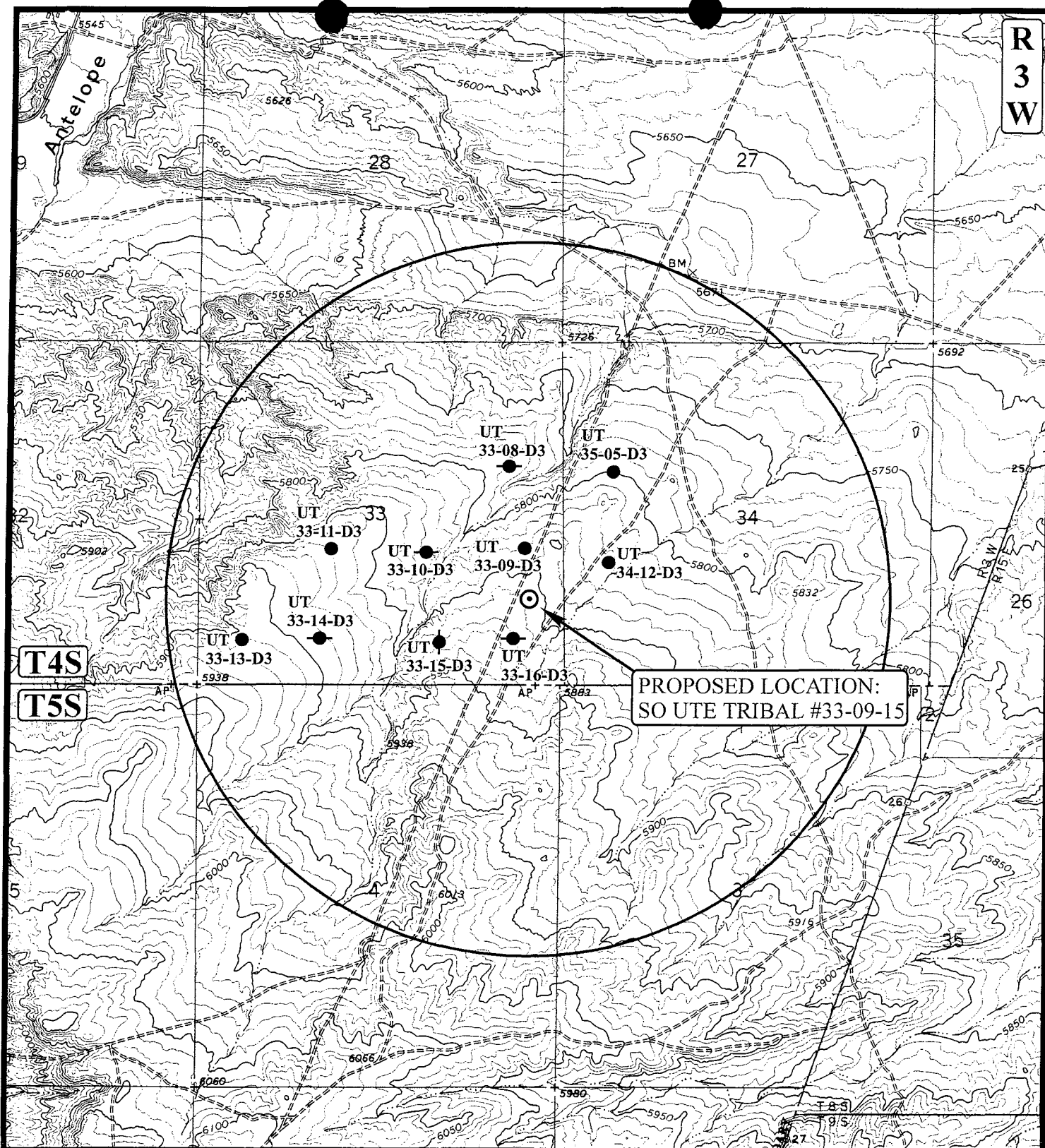
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

12 16 02
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B
 TOPO



R
3
W

T4S

T5S

PROPOSED LOCATION:
SO UTE TRIBAL #33-09-15

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



PETROGLYPH OPERATING CO., INC.

SO UTE TRIBAL #33-09-15
SECTION 33, T4S, R3W, U.S.B.&M.
1282' FSL 495' FEL



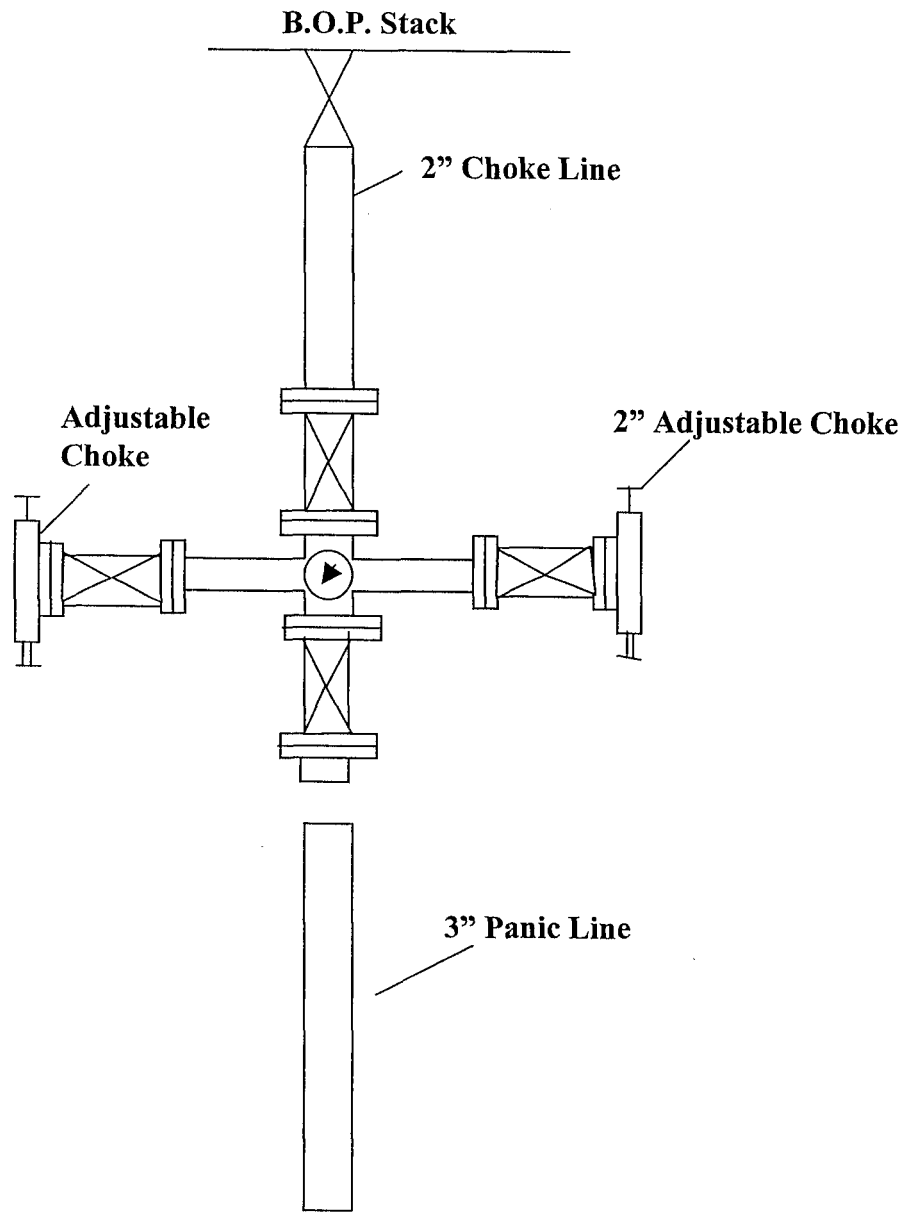
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

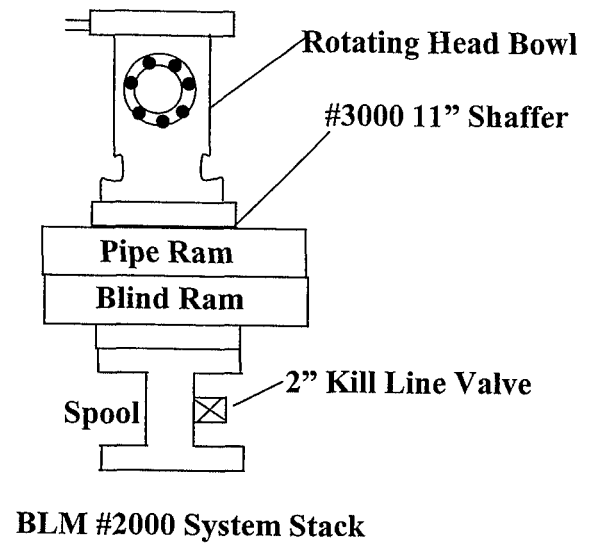
12 16 02
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





BLM #2000 Choke Manifold System



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/03/2004

API NO. ASSIGNED: 43-013-32542

WELL NAME: SO UTE TRIBAL 33-09-15

OPERATOR: PETROGLYPH OPERATING CO (N3800)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NESE 33 040S 030W

SURFACE: 1282 FSL 0495 FEL

BOTTOM: 1282 FSL 0495 FEL

DUCHESNE

ANTELOPE CREEK (60)

LEASE TYPE: 2 - Indian

LEASE NUMBER: 14-20-H62-4736

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: GRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.08822

LONGITUDE: 110.21928

RECEIVED AND/OR REVIEWED:

- ☒ Plat
☒ Bond: Fed[] Ind[2] Sta[] Fee[]
 (No. 4556)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
 (No. 43-10152)
☒ RDCC Review (Y/N)
 (Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit _____

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 214-2

Eff Date: 6-9-2000

Siting: Suspends General Siting

___ R649-3-11. Directional Drill

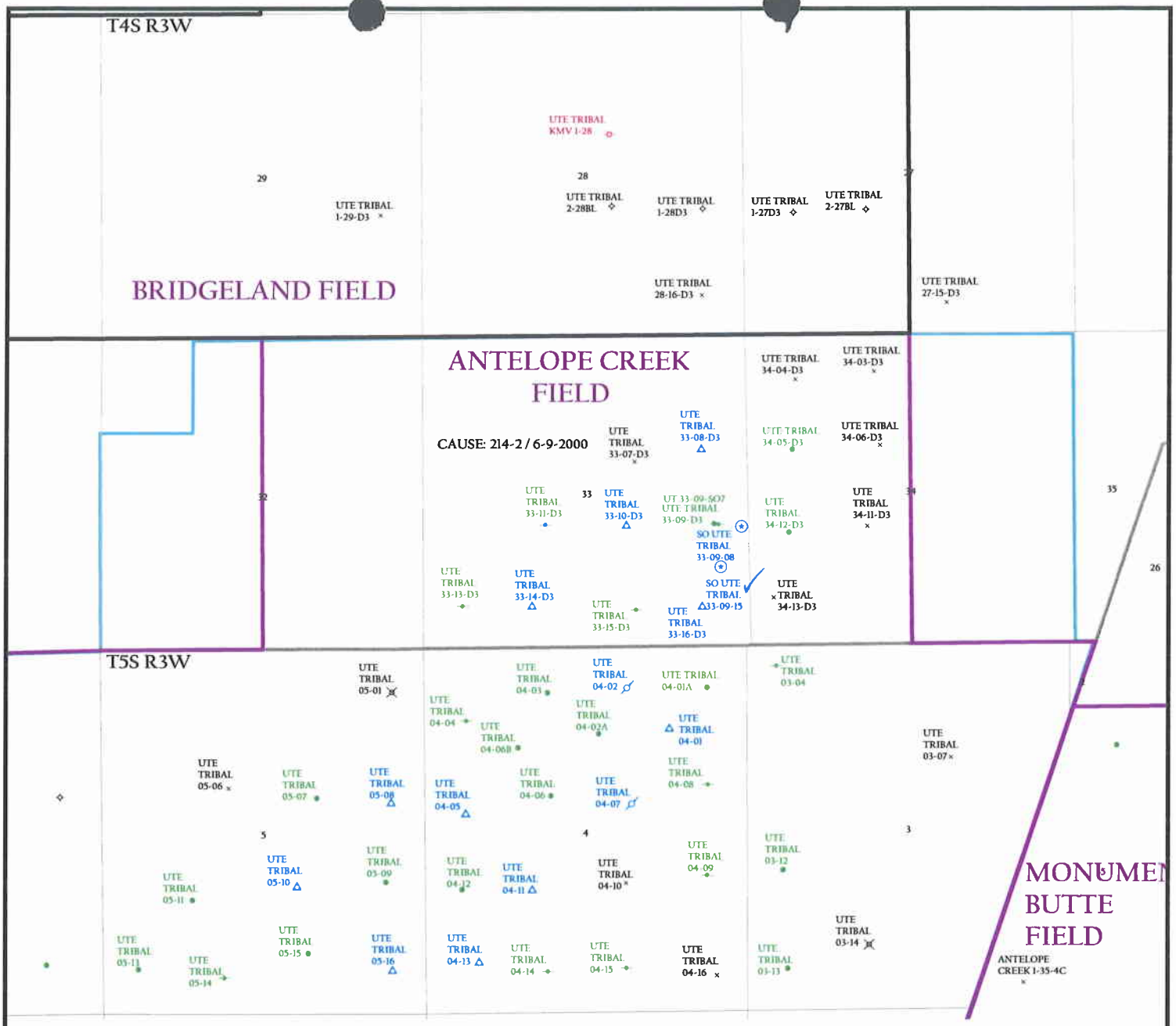
COMMENTS:

Needs Permit (03-12-04)

STIPULATIONS:

1- Federal Approval

2- STATEMENT OF BASIS



OPERATOR: PETROGLYPH OPER CO (N3800)

SEC. 33 T.4S, R.3W

FIELD: ANTELOPE CREEK (60)

COUNTY: DUCHESNE

CAUSE: 214-2 / 6-9-2000

Wells

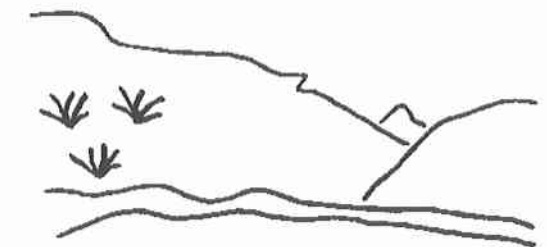
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 12-FEBRUARY-2004

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: Petroglyph Operating Company, Inc.
WELL NAME & NUMBER: So Ute Tribal #33-09-15
API NUMBER: 43-013-32542
LOCATION: 1/4, 1/4 NE/SE Sec: 33 TWP: 04S RNG: 03W 1282 FSL 495 FEL

Geology/Ground Water:

The proposed well is located on mineral leases owned by the Ute Indian tribe. Evaluation and approval of the drilling and casing program will be done by the BLM.

Reviewer: Brad Hill **Date:** 03/15/04

Surface:

An onsite of the surface area was done by division staff on said date to evaluate surface and take input regarding the drilling of a 2000' well. The surface for location and access belongs to Alton Moon; the minerals belong to the Ute Indian tribe. Mr. Moon was invited to the onsite and was present throughout same. The access road was staked and entered from the north along an existing road and presented no known problems; likewise, the location staking was for a small rig without a reserve pit. Petroglyph proposed drilling this well without any pits and, therefore, shall contain all drilling and completion fluids within a steel tank unless otherwise permitted by the division. Safeguards such as berming, shall be utilized around any and all tanks to prevent drilling fluids from leaving location during the drilling operation. This well is a shallow 2,000 foot well into the Friar oil and special spacing by the division was given on 20 acre spacing, according to Petroglyph.

Reviewer: Dennis L. Ingram **Date:** March 15, 2004

Conditions of Approval/Application for Permit to Drill:

1. None.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Petroglyph Operating Company, Inc
WELL NAME & NUMBER: So Ute Tribal 33-09-15
API NUMBER: 43-013-32542
LEASE: FEE/Indian FIELD/UNIT: Antelope Creek
LOCATION: 1/4, 1/4 NE/SE Sec: 33 TWP: 04S RNG: 04E 1282 FSL 495 FEL
LEGAL WELL SITING: General siting suspended.
GPS COORD (UTM): X =120566542E; Y =4437630 N SURFACE OWNER: Alton Moon

PARTICIPANTS

Dennis L. Ingram (DOGM); Ed Trotter & Lester Farnsworth (Petroglyph Operating); Alton Moon (landowner).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed 3.8 miles south of Highway 40 at Bridgeland turn-off on Sower Canyon Road, then east, southeast along BLM fence line and up Gilsonite Ridge 2.7 miles, and on west side of access road on northern portion of existing production or Antelope Creek Field. The location was staked on lower end of Gilsonite Ridge, which drops gradually to the north and is basically open desert habitat.

SURFACE USE PLAN

CURRENT SURFACE USE: Cattle grazing and wildlife use

PROPOSED SURFACE DISTURBANCE: Proposed 0.1+/- miles of access south off existing road plus a location measuring 100'x 200'; topsoil and spoils shall be stored accordingly to assist in reclamation after project is completed.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: #33-08-D3; 35-05-D3; 33-11-D3; 33-10-D3; 33-09-D3; 34-12-D3; 33-13-D3; 33-14-D3; 33-15-D3; 33-16-D3.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Along access road to north and tie into existing lines.

SOURCE OF CONSTRUCTION MATERIAL: Native cut and fill using borrowed material.

ANCILLARY FACILITIES: None requested

WASTE MANAGEMENT PLAN:

Submitted to the division with application to drill

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Open desert habitat, shadscale community, prickly pear cactus, rice grass, sagebrush; winter range for antelope, mule deer, elk, bobcat, rabbit, coyote, and smaller mammals and birds.

SOIL TYPE AND CHARACTERISTICS: Brown to tan fine grained sandy loam

SURFACE FORMATION & CHARACTERISTICS: Uintah Formation

EROSION/SEDIMENTATION/STABILITY: No active erosion observed, minor sedimentation, no stability problems anticipated.

PALEONTOLOGICAL POTENTIAL: None observed during onsite

RESERVE PIT

CHARACTERISTICS: Have not requested a pit, will use small rig and tank

LINER REQUIREMENTS (Site Ranking Form attached): N/A

SURFACE RESTORATION/RECLAMATION PLAN

According to Landowner/operator agreement

SURFACE AGREEMENT: Yes

CULTURAL RESOURCES/ARCHAEOLOGY: Truesdale did an arch survey for Petroglyph and supplied that info to the division.

OTHER OBSERVATIONS/COMMENTS

A small knoll on southwestern portion and location, land dips gradually to the north, was used for sheep range for years now for cattle, good ground cover for open desert, see photos.

ATTACHMENTS

Photos of this location were taken and placed on file.

Dennis L. Ingram
DOGM REPRESENTATIVE

March 12, 2004 10:30 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 20 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

March 15, 2004

Petroglyph Operating Co., Inc.
P O Box 607
Roosevelt, UT 84066

Re: So Ute Tribal 33-09-15 Well, 1282' FSL, 495' FEL, NE SE, Sec. 33,
T. 4 South, R. 3 West, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32542.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Petroglyph Operating Co., Inc.
Well Name & Number So Ute Tribal 33-09-15
API Number: 43-013-32542
Lease: BIA-14-20-H62-4736

Location: NE SE **Sec.** 33 **T.** 4 South **R.** 3 West

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

(July 1992)

OMB NO. 1004-0136

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

005**APPLICATION FOR PERMIT TO DRILL OR DEEPEN****1a. TYPE OF WORK****DRILL** ☒**DEEPEN** ☐**b. TYPE OF WELL**

Oil

Gas

Well ☐Well ☐

Other

Single
Zone ☐Multiple
Zone ☐**2. Name of Operator****PETROGLYPH OPERATING CO., INC.****3. Address and Telephone Number****P.O. BOX 607, ROOSEVELT, UT 84066****4. Location of Well (Report location clearly and in accordance with any State requirements.)**

At surface

1282' FSL, 495' FEL NE/SE

At proposed prod. Zone

5. Lease Designation and serial number**BIA-14-20-H62-4736****6. If Indian, allottee or tribe name****FEE****7. Unit Agreement name****14-20-H62-4650****8. Farm or lease name, well no.****SO UTE TRIBAL 33-09-15****9. API well no.****43-013-32542****10. Field and pool, or wildcat****ANTELOPE CREEK****11. Sec., T., R., M., or BLk. And survey area****SEC. 33, T4S, R3W****14. Distance in miles and direction from nearest town or post office****15.55 MILES SOUTHWEST OF MYTON, UTAH**Distance from proposed
location to nearest
property or lease line, ft.**495'**

(Also to nearest drig. Unit line, if any)

16. No. of acres in lease**617.20****17. No. of acres assigned to this well****2.5****18. Distance from proposed location
to nearest well, drilling, completed,
or applied for, on this lease, ft.****19. Proposed depth****2000'****20. Rotary or cable tools****ROTARY****21. Elevations (show whether DF, RT, GR, etc.)****5852.9 FEET UNGRADED GROUND****22. Approx. date work will start****UPON APPROVAL****23. PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 3/4"	J-55 7"	20#	1100'	230 SX NEAT CEMENT WITH 30% SILICA FLOUR
6 1/4"	J-55 4 1/2"	11.6#	2000'	270 SX NEAT CEMENT WITH 30% SILICA FLOUR

SEE ATTACHMENTS FOR:**8 POINT PLAN****SURFACE USE AND OPERATING PLAN****LOCATION PLAT****LOCATION LAYOUT****TOPOGRAPHIC MAPS "A", "B", C AND "D"****RECEIVED****MAR 01 2005**

DIV. OF OIL, GAS & MINING

**PETROGLYPH OPERATING CO., INC. WILL BE THE
DESIGNATED OPERATOR OF THE SUBJECT WELL
UNDER BOND #BO 4556.**

Pc: **UTAH DIVISION OF OIL, GAS, AND MINING****BUREAU OF INDIAN AFFAIRS, FORT DUCHESNE, UTAH**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE **Agent**

DATE

3-1-2004

(This space for Federal or State office use)

PERMIT NO.

CONDITIONS OF APPROVAL ATTACHED

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY

Assistant Field Manager

Mineral Resources

TITLE

DATE

02/24/2005**UDOGM****NOTICE OF APPROVAL**

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Co.

Well Name & Number: Ute Tribal 33-09-15

Lease Number: 1420-H62-4736

API Number: 43-013-32542

Location: NESE Sec. 33 T. 4S R. 3W

Agreement: 1420-H62-4650

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to.

The variances requested in section 6 of the 8 point drilling plan are granted with the following conditions:

If a mist system is being utilized then the requirement for an automatic ignitor shall be waived.

Where the location and rig layout allows, the blowout line shall be straight and extend 100' from the wellbore. This requirement will be waived only in the case where the location is too small to accommodate it.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit to this office, in LAS format, an electronic copy of all logs run on this well. This submission will replace the requirement for submittal of paper logs to the BLM.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Kirk Fleetwood (435) 828-7874
Petroleum Engineer

Michael Lee (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

Petroglyph Operating Company, Inc. (Petroglyph) employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

Petroglyph employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

At each well the pad, the pipeline and the new access road would be constructed as described in the APD for that well. Operations will be according to the landowner agreement Petroglyph has made with Elmer R. Moon and Arwella P. Moon.

Culverts and diversion ditches will be placed and constructed where needed. Road base gravel will be used where sandy soils make roadways and the drilling location hazardous for access or drilling operations.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

Petroglyph will control noxious weeds on the well site and ROWs. Petroglyph will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

006

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: BIA 14-20-H62-4736
2. NAME OF OPERATOR: PETROGLYPH OPERATING CO., INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: FEE
3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: 14-20-H62-4650
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1282' FSL, 495' FEL		8. WELL NAME and NUMBER: SO UTE TRIBAL 33-09-15
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 33 4S 3W U		9. API NUMBER: 4301332542
COUNTY: DUCHESNE		10. FIELD AND POOL, OR WILDCAT: ANTELOPE CREEK
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extension Request</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Petroglyph Operating Co., Inc. requests that the APD for the subject well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 03-28-05

By: [Signature]

COPY SENT TO OPERATOR
Date: 3-28-05
By: CHD

NAME (PLEASE PRINT) <u>Ed Trotter</u>	TITLE <u>Agent</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/24/2005</u>

(This space for State use only)

RECEIVED
MAR 25 2005
DIV. OF OIL, GAS & MINING

RESE

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301332542
Well Name: SO UTE TRIBAL 33-09-15
Location: 1282' FSL, 495' FEL, NESE, SEC. 33, T4S, R3W
Company Permit Issued to: PETROGLYPH OPERATING CO., INC.
Date Original Permit Issued: 3/15/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

3/24/2005

Date

Title: Agent

Representing: Petroglyph Operating Co., Inc.

RECEIVED
MAR 25 2005
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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2. NAME OF OPERATOR: PETROGYLYPH OPERATING CO., INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 607 CITY ROOSEVELT, STATE UT ZIP 84066		7. UNIT or CA AGREEMENT NAME: 14-20-H62-4650
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1252' FSL, 495' FEL		8. WELL NAME and NUMBER: SO UTE TRIBAL 33-09-15
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 33 4S 3W U		9. API NUMBER: 4301332542
COUNTY: DUCHESNE		10. FIELD AND POOL OR WILDCAT: ANTELOPE CREEK
STATE: UTAH		

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Petroglyph Operating Co., Inc. requests that the APD for the subject well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 07-17-06
By: [Signature]

COPY SENT TO OPERATOR
Date: 8-22-06
Initials: CHD

NAME (PLEASE PRINT) <u>Ed Trotter</u>	TITLE <u>Agent</u>
SIGNATURE <u>[Signature]</u>	DATE <u>7/11/2006</u>

(This space for State use only)

RECEIVED
JUL 14 2006

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

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Date Original Permit Issued: 3/15/2004

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Signature

7/11/2006

Date

Title: Agent

Representing: Petroglyph Operating Co., Inc.

RECEIVED

JUL 14 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 33 4S 3W U		9. API NUMBER: 4301332542
COUNTY: DUCHESNE		10. FIELD AND POOL, OR WILDCAT: ANTELOPE CREEK
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extension Request</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Petroglyph Energy, Inc. requests that the APD for the above-described well be extended for one year

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-11-07
By: [Signature]

NAME (PLEASE PRINT) <u>Ed Trotter</u>	TITLE <u>Agent</u>
SIGNATURE <u>[Signature]</u>	DATE <u>7/7/2007</u>

(This space for State use only)

RECEIVED

JUL 09 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4301332542
Well Name: So. Ute Tribal 33-09-15
Location: 1232' FSL, 495' FEL, NESE, Sec. 33, T4S, R3W
Company Permit Issued to: Petroglyph Operating Co., Inc.
Date Original Permit Issued: 3/15/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

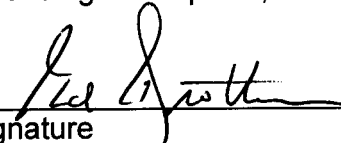
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

7/7/2007

Date

Title: Agent

Representing: Petroglyph Energy, Inc.

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JUL 09 2007

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

UT08300

April 24, 2008

Ed Trotter
Petroglyph Operating Co., Inc.
PO Box 1910
Vernal, UT 84078

43-013-3 2542

Re: Notice of Expiration
Well No. SO Ute Tribal 33-09-15
NESE, Sec. 33, T4S, R3W
Duchesne County, Utah
Lease No. 14-20-H62-4736
Agreement No. 14-20-H62-4650

Dear Mr. Trotter:

The Application for Permit to Drill the above-referenced well was approved on February 24, 2005. No extension of the original APD was requested. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

cc: UDOGM
BIA

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MAY 05 2008

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 1, 2008

Petroglyph Energy, Inc.
P.O. BOX 1910
Vernal, UT 84078

Re: APD Rescinded – SO Ute Tribal 33-09-15, Sec. 33 T. 4S, R. 3W
Duchesne County, Utah API No. 43-013-32542

Gentlemen:

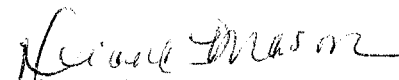
The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 15, 2004. On March 28, 2005, July 17, 2006 and July 11, 2007 the Division granted a one-year APD extension.

No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 1, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal









